

VZCZCXYZ0007
OO RUEHWEB

DE RUEHSO #0666 1641220
ZNR UUUUU ZZH
O 131220Z JUN 06
FM AMCONSUL SAO PAULO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 5252
INFO RHEHNSC/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE
RUEHBR/AMEMBASSY BRASILIA PRIORITY 6349
RUEHRI/AMCONSUL RIO DE JANEIRO PRIORITY 7173
RUCPDO/USDOC WASHDC 2476

UNCLAS SAO PAULO 000666

SIPDIS

SIPDIS

STATE INR/R/MR; IIP/R/MR; WHA/PD

DEPT PASS USTR

USDOC 4322/MAC/OLAC/JAFEE

E.O. 12958: N/A

TAGS: [KMDR](#) [OPRC](#) [OIIP](#) [ETRD](#) [BR](#)

SUBJECT: MEDIA REACTION: WESTERN HEMISPHERE: FREE TRADE AGREEMENTS,
FTAA, BRAZIL; SAO PAULO

"The American Alternative"

An editorial in center-right O Estado de S. Paulo commented (6/13):
"Hemispheric trade integration may advance even without the FTAA,
but Brazil risks losing this opportunity as well. The U.S. may
launch a new strategy, according to governmental sources O Estado
heard in both the U.S. and Mexico.... The solution is to create
links between the several bilateral and regional trade agreements
concluded by American nations so as to form a net to integrate
separate trade agreements. The U.S. has already signed trade
agreements with different hemispheric partners. NAFTA is the most
consolidated regional integration experience in the hemisphere....
The FTAA project is stuck and currently there is little hope of
resuming its negotiations. Pursuing agreements with hemispheric
nations has been a way to overcome obstacles.... The GOB helped to
facilitate Venezuela's entry in Mercosul, thereby giving to Hugo
Chavez the power to formally veto the resumption of the FTAA talks,
or even the beginning of trade conversations with the U.S.....
Uruguay and Paraguay will probably abandon Mercosul if they have a
chance to negotiate a trade agreement with the U.S. In this case,
Brazil and Argentina will be tied to the bloc under Venezuela's
leadership."
McMullen